United Nations A/54/623/Corr.1

General Assembly

Distr.: General
23 November 1999

Original: English

Fifty-fourth session
Agenda item 121
Proposed programme budget for the biennium 2000-2001

Revised estimates: effect of changes in rates of exchange and inflation

Report of the Secretary-General

Corrigendum

Paragraph 10

In the last line of the paragraph, *for* **$48.9 million gross**, *read* **$4.9 million gross**.

99-35907 (E) 231199

A/54/623/Add.1

Readex
Fiche

United Nations A/54/623/Add.1

General Assembly

Distr.: General
2 December 1999

Original: English

Fifty-fourth session
Agenda item 121
Proposed programme budget for the biennium 2000-2001

Revised estimates: effect of changes in rates of exchange and inflation

Report of the Secretary-General

Addendum

Summary

In the previous report of the Secretary-General on the effect of changes in rates of exchange and inflation on the proposed programme budget for the biennium 2000-2001 (A/54/623), data up to November 1999 were used as the basis of analysis.

Since that report, there has been a significant change in the performance of a number of currencies against the United States dollar. The present addendum provides updated information as of December 1999 on the impact of changes to the operational rates of exchange and post adjustment indices on the proposed programme budget.

In this report the recosted level of the resources proposed under the expenditure sections would therefore amount to $2,561.9 million. Similarly, the estimates of income for 2000-2001 would amount to $363.8 million.

99-37182 (E) 021299

1. Based on existing methodology, the previous report of the Secretary-General on the effect of changes in rates of exchange and inflation on the proposed programme budget for the biennium 2000-2001 (A/54/623) provided information on the basis of data available up to November 1999.

2. Since the issuance of that report, some currencies, notably the Swiss franc and the Austrian schilling, have shifted favourably against the United States dollar. At the same time, a number of other currencies have remained stable or virtually unchanged, for example the Ethiopian birr, the Kenyan shilling, the Lebanese pound and the new shekel.

3. In view of the recent favourable performance of some of the currencies against the United States dollar and bearing in mind the views of the Advisory Committee on Administrative and Budgetary Questions (A/51/7/Add.6, para. 5) that the Administration should use such operational rates of exchange in its recosting exercises as would allow for the lowest estimates, the present report is provided to update the estimates for 2000-2001 based on the December 1999 United Nations operational rates of exchange and associated movements in the post adjustment indices.

4. The table below provides a summary of the results of this recosting encompassing the changes to exchange rates and post adjustment indices. Explanations of those parameters other than those involving post adjustment indices and exchange rates that remain unchanged from the previous report (A/54/623) are not repeated here. The estimated 2000-2001 appropriation may be subject to further revision, as necessary, as a result of specific decisions of the Fifth Committee on programme budget implications and revised estimates.

Initial proposed programme budget 2000-2001	*Adjustments recommended by the Advisory Committee*[a]	*Initial proposed programme budget + adjustments*	*Exchange rate*	*Inflation*	*Total changes*	*Estimated 2000-2001 appropriation*
(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)=(2+4+5)*	*(7)*
(Thousands of United States dollars)						
2 655 362.4	(5 785.2)	2 649 577.2	(92 849.1)	5 238.0	(93 396.3)	2 561 966.1

[a] See A/54/623, paras. 10 and 11.

5. The following annexes to the present report provide the proposed revised recosting factors applied to this recosting and are compared to the assumptions applied in the preliminary recosting included in the proposed programme budget for the biennium 2000-2001:

Schedule I. Rates of exchange and annual rates of inflation by main duty station included in the proposed programme budget and in the present report

Schedule II. Post adjustment multipliers by main duty station

Schedule III. Effect of recosting by section, subsection and main determining factor

6. The foregoing budget factors are also applied to the income sections. The revised estimates for the income sections are summarized below:

Section	*Initial proposed programme budget 2000-2001*	*Revised estimates*	*Increase/(decrease)*
	(Thousands of United States dollars)		
IS1. Income from staff assessment	326 945.2	321 531.7	(5 413.5)
IS2. General income	37 900.0	37 178.0	(722.0)
IS3. Services to the public	5 590.5	5 114.8	(475.7)
Total	**370 435.7**	**363 824.5**	**(6 611.2)**

Schedule I

Rates of exchange and annual rates of inflation by main duty station included in the proposed programme budget and in the present report

Main duty station	Rates of exchange 2000-2001		Average annual rates of inflation (percentage)			
			Proposed programme budget		In the present report	
	Proposed programme budget	In the present report[a]	1999[b]	2000-2001	1999[c]	2000-2001
New York (United States dollars)	-	-	2.4	2.4	2.2	2.6
Geneva (Swiss francs)	1.46	1.59	0.9	0.9	0.7	1.1
Vienna (Austrian schillings)	12.45	13.66	1.5	1.5	0.6	1.2
The Hague (Netherlands guilders)	2.01	2.19	2.3	2.3	2.3	2.4
Bangkok (Thai baht)	41.17	38.62	7.0	7.0	0.8	0.8
Santiago (Chilean pesos)	451.55	535.00	4.8	4.8	2.9	2.9
Mexico City (Mexican pesos)	8.78	9.35	13.3	13.3	16.6	16.6
Addis Ababa (Ethiopian birr)	7.06	8.13	2.4	2.4	2.2	2.6
Nairobi (Kenyan shillings)	60.45	75.00	9.0	9.0	5.8	5.8
Port-of-Spain (Trinidad and Tobago dollars)	6.24	6.20	5.8	5.8	3.1	3.1
UNMOGIP (rupees)	40.44	43.15	16.5	16.5	10.1	10.1
UNTSO (new shekels)	3.67	4.24	4.0	4.0	5.3	5.3
Gaza (new shekels)	3.67	4.24	4.0	4.0	5.3	5.3
UNRWA (shekels)	3.67	4.24	4.0	4.0	5.3	5.3
Beirut (Lebanese pounds)	1 512.18	1 501.00	4.9	4.9	1.5	1.5
United Nations information centres[d]	-	-	2.4	2.4	2.2	2.6

[a] 1999 December rate.

[b] Revised 1998-1999 appropriation.

[c] 1999 average with actuals through November and November rate projected through December.

[d] Combined effect of inflation and exchange rate changes.

Schedule II

Post adjustment multipliers by main duty station

	Proposed programme budget			*This report*	
Main duty station	*1999*[a]	*2000*[b]	*2001*[b]	*2000*	*2001*
New York	146.9	146.8	149.5	148.6	151.7
Geneva	154.0	150.3	150.3	139.2	139.2
Vienna	136.5	134.2	135.8	123.1	124.3
The Hague	127.6	124.6	125.7	115.8	117.2
Bangkok	116.9	110.0	113.6	111.3	111.3
Santiago	129.0	127.1	128.8	116.2	116.2
Mexico City	108.3	119.2	127.5	117.2	127.0
Addis Ababa	118.1	115.3	115.3	112.8	112.8
Nairobi	125.0	127.8	133.9	118.2	118.2
Port-of-Spain	120.1	119.5	123.8	116.9	119.4
UNMOGIP	127.6	132.9	145.5	126.4	133.8
UNTSO	123.5	125.0	126.9	119.5	121.4
Gaza	123.5	125.0	126.9	119.5	121.4
UNRWA	123.5	125.0	126.9	119.5	121.4
Beirut	148.1	144.6	145.3	144.7	144.7
United Nations information centres	126.8	129.2	131.7	127.9	128.6

[a] Revised 1998-1999 appropriations.

[b] Multipliers for 2000 onwards adjusted for consolidation of 2.48 multiplier points effective 1 March 1999.

Schedule III

Effect of recosting by section, subsection and main determining factor

(Thousands of United States dollars)

Expenditure sections	*Proposed programme budget (1)*	*Administrative Committee recommended adjustments (2)*	*Proposed programme budget + Administrative Committee (3)*	*Recosting*		*Total changes (6)=(2)+(4)+(5)*	*Estimated 2000-2001 appropriation (7)=(1)+(6)*
				Currency (4)	*Inflation (5)*		
1 Overall policy-making, direction and coordination	48 658.3	(537.7)	48 120.6	(567.3)	317.6	(787.4)	47 870.9
2 General Assembly affairs and conference services	441 244.9	-	441 244.9	(14 505.4)	2 701.4	(11 804.0)	429 440.9
3 Political affairs	134 647.0	(38.3)	134 608.7	-	406.5	368.2	135 015.2
4 Disarmament	14 216.2	(226.8)	13 989.4	(162.9)	59.7	(330.0)	13 886.2
5 Peacekeeping operations	88 598.2	-	88 598.2	(7 110.4)	958.3	(6 152.1)	82 446.1
6 Peaceful uses of outer space	4 162.0	-	4 162.0	(347.1)	(83.8)	(430.9)	3 731.1
7 International Court of Justice	22 263.1	(315.6)	21 947.5	(992.2)	141.5	(1 166.3)	21 096.8
8 Legal affairs	35 299.7	(194.8)	35 104.9	(304.9)	187.9	(311.8)	34 987.9
9 Economic and social affairs	113 822.6	-	113 822.6	-	934.4	934.4	114 757.0
10 Africa: New Agenda for Development	6 337.2	(263.7)	6 073.5	(125.2)	130.3	(258.6)	6 078.6
11 Trade and development	115 473.3	-	115 473.3	(8 364.5)	62.7	(8 301.8)	107 171.5
A. Trade and development	95 302.4	-	95 302.4	(7 457.9)	78.3	(7 379.6)	87 922.8
B. International Trade Centre UNCTAD/WTO	20 170.9	-	20 170.9	(906.6)	(15.6)	(922.2)	19 248.7
12 Environment	9 463.4	-	9 463.4	(1 121.9)	571.8	(550.1)	8 913.3
13 Human settlements	14 633.3	-	14 633.3	(2 107.9)	1 543.6	(564.3)	14 069.0
14 Crime prevention and criminal justice	6 175.6	(105.3)	6 070.3	(494.8)	(113.5)	(713.6)	5 462.0
15 International drug control	17 558.9	(295.6)	17 263.3	(1 362.8)	(305.0)	(1 963.4)	15 595.5
16 Economic and social development in Africa	83 519.3	(558.6)	82 960.7	(9 113.8)	5 827.8	(3 844.6)	79 674.7
17 Economic and social development in Asia and the Pacific	64 472.6	-	64 472.6	3 638.8	(10 216.5)	(6 577.7)	57 894.9
18 Economic development in Europe	44 290.6	(117.0)	44 173.6	(3 513.9)	248.1	(3 382.8)	40 907.8
19 Economic and social development in Latin America and the Caribbean	90 757.7	-	90 757.7	(10 901.8)	196.5	(10 705.3)	80 052.4

Expenditure sections	Proposed programme budget (1)	Administrative Committee recommended adjustments (2)	Proposed programme budget - Administrative Committee (3)	Recosting		Total changes (6)=(2)+(4)+(5)	Estimated 2000-2001 appropriation (7)=(1)+(6)
				Currency (4)	Inflation (5)		
20 Economic and social development in Western Asia	53 011.4	-	53 011.4	368.2	(2 310.3)	(1 942.1)	51 069.3
21 Regular programme of technical cooperation	45 138.9	-	45 138.9	(1 968.3)	(1 175.3)	(3 143.6)	41 995.3
22 Human rights	43 429.9	(921.1)	42 508.8	(2 688.4)	207.5	(3 402.0)	40 027.9
23 Protection of and assistance to refugees	45 650.2	-	45 650.2	(3 683.0)	415.5	(3 267.5)	42 382.7
24 Palestine refugees	23 350.4	-	23 350.4	(2 860.1)	687.4	(2 172.7)	21 177.7
25 Humanitarian assistance	20 029.0	(446.4)	19 582.6	(394.2)	108.6	(732.0)	19 297.0
26 Public information	145 734.0	(23.4)	145 710.6	(659.3)	(83.2)	(765.9)	144 968.1
27 Management and central support services	460 086.6	-	460 086.6	(13 170.4)	2 470.8	(10 699.6)	449 387.0
A. Office of the Under-Secretary-General for Management	11 619.9	-	11 619.9	-	113.3	113.3	11 733.2
B. Office of Programme Planning, Budget and Accounts	22 761.9	-	22 761.9	-	171.9	171.9	22 933.8
C. Office of Human Resources Management	48 840.4	-	48 840.4	-	254.2	254.2	49 094.6
D. Office of Central Support Services	231 323.0	-	231 323.0	-	380.2	380.2	231 703.2
E. Administration, Geneva	99 671.4	-	99 671.4	(8 060.0)	847.6	(7 212.4)	92 459.0
F. Administration, Vienna	29 875.7	-	29 875.7	(2 597.9)	(201.2)	(2 799.1)	27 076.6
G. Administration, Nairobi	15 994.3	-	15 994.3	(2 512.5)	904.8	(1 607.7)	14 386.6
28 Internal oversight	20 079.9	(458.9)	19 621.0	(348.3)	369.6	(437.6)	19 642.3
29 Jointly financed administrative activities	8 451.8	(466.5)	7 985.3	(125.5)	49.5	(542.5)	7 909.3
30 Special expenses	53 888.4	-	53 888.4	(723.2)	(78.0)	(801.2)	53 087.2
31 Construction, alteration, improvement and major maintenance	45 653.7	-	45 653.7	(1 772.9)	(1 052.0)	(2 824.9)	42 828.8
32 Staff assessment	322 199.3	(815.5)	321 383.8	(7 365.7)	2 058.6	(6 122.6)	316 076.7
33 Development Account	13 065.0	-	13 065.0	-	-	-	13 065.0
Total expenditure estimates (gross)	**2 655 362.4**	**(5 785.2)**	**2 649 577.2**	**(92 849.1)**	**5 238.0**	**93 396.3**	**2 561 966.1**